



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER INSURANCE

July 11, 2014

RULING LETTER NUMBER: CN-2014-181-EX

**TO ALL AUTHORIZED INSURERS IN PUERTO RICO, GENERAL AGENTS,
MANAGERS, PRODUCERS, AUTHORIZED REPRESENTATIVES, AND SURPLUS
LINES BROKERS**

**AMENDMENT TO THE RISK CIRCULATION FORM OCSR28(C) FOR NEW
BUSINESS AND RENEWALS, AND GUIDELINES FOR THE EFFECTIVE PERIOD
OF THE CIRCULATION OF RISK**

Dear Sirs and Madams:

Section 10.070 of the Puerto Rico Insurance Code defines surplus lines risks as those for which a part or all of insurance coverage may not be obtained from insurers that are authorized to transact business in Puerto Rico, and allows that under certain circumstances for risk to be placed with eligible surplus lines insurers. For the purpose of monitoring compliance with the provisions of this Section, the Office of the Commissioner of Insurance ("OCI") is hereby promulgating a new version of form OCSR28(C), to be completed by authorized insurers. You will find enclosed Form OCSR28(C) (version 7-2014), which will be the only form that may be used for this purpose beginning on September 1, 2014.

In addition to several changes in the form, the new form contains a new item two and additional information in the section to be completed by the authorized insurer. In this section, the authorized insurer or the person to whom such functions have been delegated will notify the surplus lines broker and the OCI by email of its decision to accept, evaluate or reject the circulated risk. The email address designated by the OCI for this purpose is: surpluslines@ocs.gobierno.pr, and the email address of the surplus lines broker will be shown on the form. Any authorized insurer that receives Form OCSR28(C) - 7/2014 as part of the risk circulation process has the obligation to complete the form and send it by email within five days of receipt of the form, regardless of whether the insurer accepts, rejects or is interested in evaluating the risk. If the insurer

should fail to comply with this obligation within 5 days, it will be deemed that the insurer has refused to assume the risk.

When the insurer indicates an interest in evaluating or accepting the risk, the insurer along with its answer, shall request from the broker such information as may be needed for the evaluation of the risk, within the same five-day period, and notify the insurer's final decision to accept or reject the risk using the same form. The surplus lines broker shall also provide the information requested by the authorized insurer or the insurer's representative in a diligent manner so that the entire process may be completed within the 5-day term provided by law. If the surplus lines broker should fail to comply with this obligation, it will be deemed that there has been a failure to comply with this ruling letter, and the risk will not be deemed to have been rejected until the information has been provided and the insurer has had a reasonable opportunity in which to make the evaluation and to answer.

You are further advised that the surplus lines broker must circulate the risk at least 10 days before the effective date of the policy. In addition, in those cases in which the risk has been circulated and not placed within the effective dates of the quotes issued by authorized insurers, the surplus lines broker will have the obligation to circulate the risk again through the OCI circulation center. If the risk was rejected or no answer was received from any of the authorized insurers, the broker shall have the obligation to circulate the risk again if 60 days have elapsed, to be counted from the date of the original circulation.

This letter substitutes Ruling Letter CN-2013-165-EX, including the form that was promulgated therein.

Strict compliance with the provisions of this letter is required, and you are further advised that all OCI licensees and their representatives must maintain the necessary documentation as evidence of compliance with this letter.

Very truly yours,

SIGNED

Ángela Weyne-Roig
Commissioner of Insurance

Enclosure



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER INSURANCE

TO ALL AUTHORIZED INSURERS, GENERAL AGENTS OR MANAGERS OF
INSURERS AUTHORIZED IN PUERTO RICO TO WRITE RISK OF THE KIND
DESCRIBED HEREIN

Pursuant to Section 10.070 of the Puerto Rico Insurance Code and Rule 28 of the
Regulations of said Code,

(Name of the Surplus Lines Broker)

requests that you report if your insurer is willing to insure the following risk:

1. Name and address of the proposed insured:

2. Risk proposed for placement: _____ NEW _____ RENEWAL

* Indicate the effective date _____
(Month / Day / Year)

3. Identify the kind of insurance:

- | | |
|--|--|
| <input type="checkbox"/> Property | <input type="checkbox"/> Medical Malpractice |
| <input type="checkbox"/> Maritime and Transportation
Perils | <input type="checkbox"/> Health Services Professionals |
| <input type="checkbox"/> Accident | <input type="checkbox"/> Health Care Institution |
| | <input type="checkbox"/> Other: _____ |
| | <input type="checkbox"/> Disability |
| | <input type="checkbox"/> Other: _____ |

4. Description of the risk: _____

5. Coverage limits: _____

If you have any questions about this risk, please contact _____

(Name of the Contact Person)

_____, at the following email address

_____ or at telephone number _____.

Within five (5) business days of receiving this document all insurers shall complete the bottom portion
and shall have the obligation to send such to the two (2) email addresses set forth below:

Surplus lines broker: _____

Center for Circulation of Surplus Lines Risk (OCI): surpluslines@ocs.gobierno.pr

TO BE USED BY THE INSURER

Name of the Insurer _____

Interested _____ Accepted _____ Rejected _____

Contact Person _____ Telephone No. _____

Comments: _____

